

## Appendix E

# Corridor Rate Analysis Results

## Appendix E

# Corridor Rate Analysis Results

To compare the transportation rates for delivering gas from various supply areas to selected market areas, over time, the maximum firm transportation reservation and usage rates (including surcharges) were converted to one-part usage rate equivalents. These one-part rates represent the total per unit cost of transporting gas from supply to market for two customer load profile types (100-percent load factor and 40-percent load factor). The results of the study present the trends in these transportation rates and provide some insight into the change in the cost of moving gas.

### Source of Rate Component Data

Most of the rate component data for 1991 and 1994 were taken from the Foster Associates, Inc., *Competitive Profile of U.S. Interstate Pipeline Companies* (October 1991) and *Competitive Profile of Natural Gas Services* (December 1994), respectively. The 1994 data from Foster Associates' report were compared with the pipeline company tariff rates obtained using the Federal Energy Regulatory Commission Automated System for Tariff Retrieval (FASTR). FASTR was also used to obtain Kern River Gas Transmission Company's 1994 base transportation rates that were used in the study. The 1991 rate components for Florida Gas Transmission Company are from H. Zinder & Associates, *Summary of Rate Schedules of Natural Gas Pipeline Companies*, March 1991. The components used to compute unit rates include the reservation charge, the usage charge, the cost of fuel retained by the pipeline company, and all applicable surcharges. Surcharges are included in the reservation as well as usage portions of the rate components. The specific surcharges included in the rate components vary among the pipeline companies. However, all pipeline companies include Gas Research Institute (GRI) funding and Annual Charge Adjustment (ACA) surcharges. Additional surcharges may include Gas Supply Realignment (GSR), Stranded Costs, and Purchased Gas Adjustment (PGA) surcharges. The cost of fuel retained by the pipeline company is calculated by multiplying the retention rate by the unit cost of gas. Therefore, the unit cost of fuel retained by the pipeline company will vary depending on the supply source of the gas.

In at least one instance, seasonal rates were filed by a pipeline company included in the corridor rate study. Noram Gas Transmission Company (Noram) has separate 1994 rates applicable for service during the winter (November through March) and summer (April through October) seasons. The seasonal rates were converted to a levelized rate by weighting the respective rate by the number of months in the season and

dividing the sum of the two weighted amounts by 12. For example, the Noram winter reservation charge is \$9.39 per million Btu (MMBtu) and its summer reservation charge is \$3.79 per MMBtu (excluding surcharges). Therefore, the levelized rate is the sum of the products \$9.39 times 5 and \$3.79 times 7 divided by 12 or \$6.12 per MMBtu. The surcharge is added to the levelized rate to arrive at the reservation charge component used in the corridor rate study.

A pipeline company will sometimes offer firm transportation rates under various rate schedules which accommodate differences in its customers' characteristics. For example, Algonquin Gas Transmission Company (Algonquin) offers lower transportation rates to customers whose total maximum daily requirements do not exceed 10,000 MMBtu per day. Algonquin also offers different transportation service rates to customers depending on the rate schedule under which the customer was formerly served (e.g., prior to Order 636). A customer's former rate schedule varied depending on the type of service (sales for resale, transportation, etc.), the type of customer (local distribution company), and the pipeline company that delivered the gas to Algonquin. Algonquin's firm transportation reservation charges for these customers range from \$7.18 per MMBtu to \$16.46 per MMBtu. However, the corridor rate study compares general service rates for 1991 and 1994 to avoid tracking changes in rate schedules that are based on special circumstances.

Surcharges, which are included in the corridor rates, may also vary depending on customer characteristics. One notable example is the Gas Research Institute (GRI) demand surcharge. All monthly reservation rates in the corridor rate study include a \$0.2180 per MMBtu GRI surcharge for customers with load factors over 50 percent and a \$0.1340 per MMBtu GRI surcharge for customers with load factors of 50 percent or less. The difference in the GRI demand surcharge causes the reservation charge for 40-percent load factor rates to be slightly lower than that for the 100-percent load factor rates.

### Development of One-Part Rates

The one-part rates are developed by summing the demand component converted to a unit basis, the usage rate, and the unit cost of fuel retained by the pipeline company. To convert to a unit basis, the reservation charge is divided by the product of the average number of days in a month times the load factor. In this way the one-part rate demonstrates the actual maximum unit

cost of transporting gas on the selected pipelines for the customer load profile (Table E1).

## Customer Load Profiles

The corridor rate study compares 1991 and 1994 rates for two customer load profiles. High-load-factor customers who tend to transport gas at a constant level throughout the year and low-load-factor customers who do not take gas at a constant rate throughout the year. The high-load-factor customers impose a daily demand on the system that is about equal to the average of their annual volume transported. For example, a customer who transports 365 MMBtu of gas per year will tend to transport about 1 MMBtu of gas per day. The industrial and electric utility sectors tend to be high-load-factor customers because their gas requirements are related to manufacturing needs as opposed to the demand for space heating.

The low-load-factor customers have a peak daily usage that far exceeds the average of their annual use. Residential and commercial sectors are generally low-load-factor customers because they depend on natural gas as a space-heating fuel. Their demand tends to fluctuate with weather temperature. Hence, the pipeline company must be prepared to meet these sectors' highest load requirement even though the maximum load may only occur a few times a year.

For this analysis a 100-percent load factor was used to represent the high-load-factor customers and a 40-percent load factor was used for low-load-factor customers. The 40-percent load factor assumes that the variable-use customers will impose a peak-day load on the system that is 2.5 times the customers' average daily requirements.

## Transportation Routes and Pipeline Companies

Unit rates were developed for 21 transportation flow paths or routes. Each route represents the path gas must take on one or more pipelines to travel from the supply area to the point of use or market. A shipper may be able to choose between two or more routes to transport gas along any regional corridor. For example, a shipper wishing to transport gas on the Gulf Coast to Boston corridor may route his gas through Texas Eastern and Algonquin or route his gas through Tennessee Gas Pipeline Company.

The pipeline companies whose rate components are used to develop the corridor rates are:

Algonquin Gas Transmission Company  
Altamont Gas Transmission (proposed)  
ANR Pipeline Company  
Colorado Interstate Gas Company  
El Paso Natural Gas Company  
Florida Gas Transmission Company  
Iroquois Gas Transmission System, L.P.  
Kern River Gas Transmission Company  
Mojave Pipeline Company  
NorAm Gas Transmission Company  
Panhandle Eastern Pipe Line Company  
Tennessee Gas Pipeline Company  
Texas Eastern Transmission Corporation  
Texas Gas Transmission Corporation  
Transcontinental Gas Pipe Line Corporation  
Trunkline Gas Company.

**Table E1. Corridor Maximum Unit Transportation Rates 1991, 1994**  
**Northeast Region: Gulf Coast to Boston Transportation Corridor**  
**(1994 dollars per million Btu)**

	100%			40%		
	Load Factor Rate			Load Factor Rate		
	1991	1994	Change (percent)	1991	1994	Change (percent)
Route A						
TEXAS EASTERN (WLA-M3)						
Gas Costs	\$1.82	\$1.90	4.3	\$1.82	\$1.90	4.3
Reservation Charge (1994 \$/MMBtu-Mo.)	13.11	15.24	16.2	13.11	15.16	15.6
Usage Charge	0.43	0.15	-65.0	0.43	0.15	-65.0
Fuel Retention	4.0%	5.2%		4.0%	5.2%	
Total - Transportation Cost	0.93	0.75	-19.4	1.58	1.49	-5.7
Total - Delivered Cost of Gas	2.75	2.65	-3.7	3.40	3.39	-0.4
ALGONQUIN						
Gas Costs	2.75	2.65	-3.7	3.40	3.39	-0.4
Reservation Charge (1994 \$/MMBtu-Mo.)	5.05	5.91	17.1	5.05	5.91	17.1
Usage Charge	0.17	0.02	-88.3	0.17	0.02	-88.3
Fuel Retention	0.6%	0.5%		0.6%	0.5%	
Total - Transportation Cost	<u>\$1.28</u>	<u>\$0.98</u>	-23.4	<u>\$2.19</u>	<u>\$2.01</u>	-8.2
Route B						
TENNESSEE (Z1-Z6)						
Gas Costs	\$1.82	\$1.90	4.3	\$1.82	\$1.90	4.3
Reservation Charge (1994 \$/MMBtu-Mo.)	7.76	26.77	244.9	7.76	26.69	243.8
Usage Charge	0.17	0.08	-53.4	0.17	0.08	-53.4
Fuel Retention	6.7%	7.8%		6.7%	7.8%	
Total - Transportation Cost	<u>\$0.55</u>	<u>\$1.11</u>	101.8	<u>\$0.93</u>	<u>\$2.42</u>	160.2

See footnotes at end of table.

**Table E1. Corridor Maximum Unit Transportation Rates 1991, 1994****Northeast Region: Appalachia to Boston Transportation Corridor  
(1994 dollars per million Btu) - Continued**

	100%			40%		
	Load Factor Rate			Load Factor Rate		
	1991	1994	Change (percent)	1991	1994	Change (percent)
Route A						
TEXAS EASTERN (M2-M3)						
Gas Costs	\$2.18	\$2.16	-0.7	\$2.18	\$2.16	-0.7
Reservation Charge (1994 \$/MMBtu-Mo.)	8.25	10.35	25.4	8.25	10.27	24.4
Usage Charge	0.21	0.11	-48.7	0.21	0.11	-48.7
Fuel Retention	2.0%	2.9%		2.0%	2.9%	
Total - Transportation Cost	0.53	0.51	-3.8	0.94	1.02	8.5
Total - Delivered Cost of Gas	2.71	2.67	-1.3	3.12	3.18	2.0
ALGONQUIN						
Gas Costs	2.71	2.67	-1.3	3.12	3.18	2.0
Reservation Charge (1994 \$/MMBtu-Mo.)	5.05	5.91	17.1	5.05	5.91	17.1
Usage Charge	0.17	0.02	-88.3	0.17	0.02	-88.3
Fuel Retention	0.6%	0.5%		0.6%	0.5%	
Total - Transportation Cost	<u>\$0.88</u>	<u>\$0.74</u>	-15.9	<u>\$1.55</u>	<u>\$1.54</u>	-0.6
Route B						
TENNESSEE (Z4 - Z6)						
Gas Costs	\$2.18	\$2.16	-0.7	\$2.18	\$2.16	-0.7
Reservation Charge (1994 \$/MMBtu-Mo.)	5.83	12.74	118.5	5.83	12.66	117.0
Usage Charge	0.14	0.05	-64.1	0.14	0.05	-64.1
Fuel Retention	4.9%	2.2%		4.9%	2.2%	
Total - Transportation Cost	<u>\$0.44</u>	<u>\$0.52</u>	18.2	<u>\$0.73</u>	<u>\$1.14</u>	56.2

See footnotes at end of table.

**Table E1. Corridor Maximum Unit Transportation Rates 1991, 1994**

**Northeast Region: Canada to Boston Transportation Corridor  
(1994 dollars per million Btu) - Continued**

	100%			40%		
	Load Factor Rate			Load Factor Rate		
	1991	1994	Change (percent)	1991	1994	% Change
Route A						
IROQUIS (Zone 1)						
Gas Costs	\$2.47	\$2.20	-10.9	\$2.47	\$2.20	-10.93%
Reservation Charge (1994 \$/MMBtu-Mo.)	10.01	13.57	35.5	10.01	13.49	34.69%
Usage Charge	0.14	0.01	-92.8	0.14	0.01	-92.82%
Fuel Retention		1.0%			1.0%	
Total - Transportation Cost	0.47	0.48	2.1	0.96	1.14	18.75%
Total - Delivered Cost of Gas	2.94	2.68	-8.8	3.43	3.34	-2.62%
TENNESSEE (Zone 5 - Zone 6)						
Gas Costs	2.94	2.68	-8.8	3.43	3.34	-2.62%
Reservation Charge (1994 \$/MMBtu-Mo.)	6.82	12.34	80.9	6.82	12.34	80.94%
Usage Charge	0.09	0.04	-55.6	0.09	0.04	-55.56%
Fuel Retention	2.4%	2.1%		2.4%	2.1%	
Total - Transportation Cost	<u>\$0.85</u>	<u>\$0.98</u>	15.3	<u>\$1.69</u>	<u>\$2.26</u>	33.73%
Route B						
TENNESSEE (Niagra)						
Gas Costs	\$2.47			\$2.47		
Reservation Charge (1994 \$/MMBtu-Mo.)	2.42			2.42		
Usage Charge	0.04			0.04		
Fuel Retention	1.2%			1.2%		
Total - Transportation Cost	0.15			0.27		
Total - Delivered Cost of Gas	2.62			2.74		
TENNESSEE (Niagra - Zone 6)						
Gas Costs	\$2.62	\$2.20	-15.9	\$2.74	\$2.20	-19.58%
Reservation Charge (1994 \$/MMBtu-Mo.)	6.82	16.20	137.6	6.82	16.12	136.38%
Usage Charge	0.09	0.06	-30.0	0.09	0.06	-30.04%
Fuel Retention	2.4%	2.1%		2.4%	2.1%	
Total - Transportation Cost	<u>\$0.52</u>	<u>\$0.64</u>	23.1	<u>\$0.71</u>	<u>\$1.43</u>	101.41%

See footnotes at end of table.

**Table E1. Corridor Maximum Unit Transportation Rates 1991, 1994**  
**Northeast Region: Gulf Coast to New York Transportation Corridor**  
**(1994 dollars per million Btu) - Continued**

	100%			40%		
	Load Factor Rate			Load Factor Rate		
	1991	1994	Change (percent)	1991	1994	Change (percent)
Route A						
TENNESSEE						
Gas Costs	\$1.82	\$1.90	4.3	\$1.82	\$1.90	4.3
Reservation Charge (1994 \$/MMBtu-Mo.)	7.76	22.89	194.9	7.76	22.81	193.8
Usage Charge	0.17	0.08	-53.4	0.17	0.08	-53.4
Fuel Retention	6.7%	7.0%		6.7%	7.0%	
Total - Transportation Cost	<u>\$0.55</u>	<u>\$0.97</u>	76.4	<u>\$0.93</u>	<u>\$2.09</u>	124.7
Route B						
TEXAS EASTERN						
Gas Costs	\$1.82	\$1.90	4.3	\$1.82	\$1.90	4.3
Reservation Charge (1994 \$/MMBtu-Mo.)	13.11	15.24	16.2	13.11	15.16	15.6
Usage Charge	0.43	0.15	-65.0	0.43	0.15	-65.0
Fuel Retention	4.0%	5.2%		4.0%	5.2%	
Total - Transportation Cost	<u>\$0.93</u>	<u>\$0.75</u>	-19.4	<u>\$1.58</u>	<u>\$1.49</u>	-5.7
Route C						
TRANSCO (Zone 3-Zone 6)						
Gas Costs	\$1.82	\$1.90	4.3	\$1.82	\$1.90	4.3
Reservation Charge (1994 \$/MMBtu-Mo.)	12.71	9.78	-23.1	12.71	9.70	-23.7
Usage Charge	0.30	0.16	-46.7	0.30	0.16	-46.7
Fuel Retention	7.4%	3.9%		7.4%	3.9%	
Total - Transportation Cost	<u>\$0.85</u>	<u>\$0.56</u>	-34.1	<u>\$1.48</u>	<u>\$1.03</u>	-30.4

See footnotes at end of table.

**Table E1. Corridor Maximum Unit Transportation Rates 1991, 1994**

**Northeast Region: Canada to New York Transportation Corridor  
(1994 dollars per million Btu) - Continued**

	100%			40%		
	Load Factor Rate			Load Factor Rate		
	1991	1994	Change (percent)	1991	1994	Change (percent)
IROQUIS						
Gas Costs	\$2.47	\$2.20	-10.8	\$2.47	\$2.20	-10.8
Reservation Charge (1994 \$/MMBtu-Mo.)	17.91	24.08	34.4	17.91	24.00	34.0
Usage Charge	0.21	0.02	-90.7	0.21	0.02	-90.7
Fuel Retention		1.0%			1.0%	
Total - Transportation Cost	<u>\$0.80</u>	<u>\$0.83</u>	3.7	<u>\$1.69</u>	<u>\$2.01</u>	18.9

See footnotes at end of table.

**Table E1. Corridor Maximum Unit Transportation Rates 1991, 1994**  
**Southeast Region: Gulf Coast to Louisville Transportation Corridor**  
**(1994 dollars per million Btu) - Continued**

	100%			40%		
	Load Factor Rate			Load Factor Rate		
	1991	1994	Change (percent)	1991	1994	Change (percent)
TEXAS GAS						
Gas Costs	\$1.82	\$1.90	4.3	\$1.82	\$1.90	4.3
Reservation Charge (1994 \$/MMBtu-Mo.)	8.49	13.14	54.8	8.49	13.06	53.8
Usage Charge	0.31	0.06	-80.7	0.31	0.06	-80.7
Fuel Retention	3.7%	2.3%		3.7%	2.3%	
Total - Transportation Cost	<u>\$0.66</u>	<u>\$0.54</u>	-18.2	<u>\$1.08</u>	<u>\$1.18</u>	9.3

See footnotes at end of table.

**Table E1. Corridor Maximum Unit Transportation Rates 1991, 1994**

**Southeast Region: Gulf Coast to Miami Transportation Corridor  
(1994 dollars per million Btu) - Continued**

	100%			40%		
	Load Factor Rate			Load Factor Rate		
	1991	1994	Change (percent)	1991	1994	Change (percent)
Florida Gas Transmission						
Gas Costs	\$2.04	\$1.90	-6.7	\$2.04	\$1.90	-6.7
Reservation Charge (1994 \$/MMBtu-Mo.)	6.99	13.17	88.3	6.99	13.09	87.1
Usage Charge	0.11	0.07	-34.8	0.11	0.07	-34.8
Fuel Retention	2.3%	2.3%		2.3%	2.3%	
Total - Transportation Cost	<u>\$0.38</u>	<u>\$0.55</u>	44.7	<u>\$0.73</u>	<u>\$1.19</u>	63.0

See footnotes at end of table.

**Table E1. Corridor Maximum Unit Transportation Rates 1991, 1994**  
**Southeast Region: Arkoma Basin to Louisville Transportation Corridor**  
**(1994 dollars per million Btu) - Continued**

	100%			40%		
	Load Factor Rate			Load Factor Rate		
	1991	1994	Change (percent)	1991	1994	Change (percent)
Noram (Arkla in 1991)						
Gas Costs	\$1.67	\$1.73	3.4	\$1.67	\$1.73	3.4
Reservation Charge (1994 \$/MMBtu-Mo.)		6.32	N/A		6.24	N/A
Usage Charge	0.14	0.05	-64.1	0.14	0.05	-64.1
Fuel Retention	1.0%	1.7%		1.0%	1.7%	
Total - Transportation Cost	0.16	0.29	81.3	0.16	0.59	268.8
Total - Delivered Cost of Gas	1.83	2.02	10.2	1.83	2.32	26.6
Texas Gas (Z1 - Z4)						
Gas Costs	1.83	2.02	10.2	1.83	2.32	26.6
Reservation Charge (1994 \$/MMBtu-Mo.)	8.04	12.09	50.4	8.04	12.09	50.4
Usage Charge	0.28	0.04	-85.6	0.28	0.04	-85.6
Fuel Retention	2.5%	2.3%		2.5%	2.3%	
Total - Transportation Cost	<u>\$0.75</u>	<u>\$0.77</u>	2.7	<u>\$1.15</u>	<u>\$1.68</u>	46.1

See footnotes at end of table.

**Table E1. Corridor Maximum Unit Transportation Rates 1991, 1994**

**Midwest Region: Gulf Coast to Detroit Transportation Corridor  
(1994 dollars per million Btu) - Continued**

	100%			40%		
	Load Factor Rate			Load Factor Rate		
	1991	1994	Change (percent)	1991	1994	Change (percent)
Route A						
TRUNKLINE						
Gas Costs	\$1.82	\$1.90	4.3	\$1.82	\$1.90	4.3
Reservation Charge (1994 \$/MMBtu-Mo.)	6.24	12.82	105.5	6.24	12.74	104.1
Usage Charge	0.16	0.05	-68.9	0.16	0.05	-68.9
Fuel Retention	1.5%	2.0%		1.5%	2.0%	
Total - Transportation Cost	0.39	0.51	30.8	0.70	1.13	61.4
Total - Delivered Cost of Gas	2.21	2.41	8.9	2.52	3.03	20.1
PANHANDLE EASTERN						
Gas Costs	2.21	2.41	8.9	2.52	3.03	20.1
Reservation Charge (1994 \$/MMBtu-Mo.)	9.33	6.95	-25.5	9.33	6.95	-25.5
Usage Charge	0.23	0.03	-86.7	0.23	0.03	-86.7
Fuel Retention	5.1%	2.2%		5.1%	2.2%	
Total - Transportation Cost	<u>\$1.03</u>	<u>\$0.82</u>	-20.4	<u>\$1.82</u>	<u>\$1.80</u>	-1.1
Route B						
ANR						
Gas Costs	\$1.82	\$1.90	4.3	\$1.82	\$1.90	4.3
Reservation Charge (1994 \$/MMBtu-Mo.)	8.62	12.33	43.1	8.62	12.25	42.1
Usage Charge	0.39	0.05	-87.0	0.39	0.05	-87.0
Fuel Retention	2.0%	4.4%		2.0%	4.4%	
Total - Transportation Cost	<u>\$0.71</u>	<u>\$0.54</u>	-23.9	<u>\$1.13</u>	<u>\$1.14</u>	0.9
Route C						
TRUNKLINE (Field - Z2)						
Gas Costs	\$1.82	\$1.90	4.3	\$1.82	\$1.90	4.3
Reservation Charge (1994 \$/MMBtu-Mo.)	6.97	14.05	101.6	6.97	13.97	100.4
Usage Charge	0.17	0.05	-70.8	0.17	0.05	-70.8
Fuel Retention	1.8%	2.2%		1.8%	2.2%	
Total - Transportation Cost	<u>\$0.43</u>	<u>\$0.55</u>	27.9	<u>\$0.78</u>	<u>\$1.24</u>	59.0

See footnotes at end of table.

**Table E1. Corridor Maximum Unit Transportation Rates 1991, 1994**  
**Central Region: Rocky Mountain to Denver Transportation Corridor**  
**(1994 dollars per million Btu) - Continued**

	100%			40%		
	Load Factor Rate			Load Factor Rate		
	1991	1994	Change (percent)	1991	1994	Change (percent)
Colorado Interstate Gas						
Gas Costs	\$2.14	\$1.62	-24.4	\$2.14	\$1.62	-24.4
Reservation Charge (1994 \$/MMBtu-Mo.)	5.80	9.13	57.4	5.80	9.05	56.0
Usage Charge	0.13	0.04	-68.9	0.13	0.04	-68.9
Fuel Retention	3.0%	2.8%		3.0%	2.8%	
Total - Transportation Cost	<u>\$0.38</u>	<u>\$0.39</u>	2.6	<u>\$0.67</u>	<u>\$0.83</u>	23.9

See footnotes at end of table.

**Table E1. Corridor Maximum Unit Transportation Rates 1991, 1994**  
**Central Region: Mid-Continent to Kansas City Transportation Corridor**  
**(1994 dollars per million Btu) - Continued**

	100%			40%		
	Load Factor Rate			Load Factor Rate		
	1991	1994	Change (percent)	1991	1994	Change (percent)
PANHANDLE EASTERN						
Gas Costs	\$1.67	\$1.73	3.4	\$1.67	\$1.73	3.4
Reservation Charge (1994 \$/MMBtu-Mo.)	5.13	11.34	120.8	5.13	11.26	119.2
Usage Charge	0.21	0.05	-76.7	0.21	0.05	-76.7
Fuel Retention	3.6%	3.0%		3.6%	3.0%	
Total - Transportation Cost	<u>\$0.44</u>	<u>\$0.47</u>	6.8	<u>\$0.70</u>	<u>\$1.03</u>	47.1

See footnotes at end of table.

**Table E1. Corridor Maximum Unit Transportation Rates 1991, 1994**  
**West Region: San Juan to Southern California Transportation Corridor**  
**(1994 dollars per million Btu) - Continued**

	100%			40%		
	Load Factor Rate			Load Factor Rate		
	1991	1994	Change (percent)	1991	1994	Change (percent)
EL PASO NATURAL GAS						
Gas Costs	\$1.65	\$1.62	-1.9	\$1.65	\$1.62	-1.9
Reservation Charge (1994 \$/MMBtu-Mo.)	6.30	9.39	49.0	6.30	9.31	47.6
Usage Charge	0.43	0.07	-83.7	0.43	0.07	-83.7
Fuel Retention	5.0%	5.0%		5.0%	5.0%	
Total - Transportation Cost	0.72	0.46	-36.1	1.03	0.92	-10.7
Total - Delivered Cost of Gas	2.37	2.08	-12.3	2.68	2.54	-5.3
MOJAVE						
Gas Costs	2.37	2.08	-12.3	2.68	2.54	-5.3
Reservation Charge (1994 \$/MMBtu-Mo.)			N/A			N/A
Usage Charge	0.31	0.33	6.2	0.31	0.33	6.2
Fuel Retention	0.5%	0.5%		0.5%	0.5%	
Total - Transportation Cost	<u>\$1.04</u>	<u>\$0.80</u>	-23.1	<u>\$1.35</u>	<u>\$1.26</u>	-6.7

See footnotes at end of table.

**Table E1. Corridor Maximum Unit Transportation Rates 1991, 1994**  
**West Region: Canada to Southern California Transportation Corridor**  
**(1994 dollars per million Btu) - Continued**

	100%			40%		
	Load Factor Rate			Load Factor Rate		
	1991	1994	Change (percent)	1991	1994	Change (percent)
ALTAMONT						
Gas Costs	\$2.14	\$1.75	-18.4	\$2.14	\$1.75	-18.4
Reservation Charge (1994 \$/MMBtu-Mo.)			N/A			N/A
Usage Charge	0.55	0.51	-6.7	0.55	0.51	-6.7
Fuel Retention	1.4%	1.5%		1.4%	1.5%	
Total - Transportation Cost	0.58	0.54	-6.9	0.58	0.54	-6.9
Total - Delivered Cost of Gas	2.72	2.29	-15.9	2.72	2.29	-15.9
KERN RIVER						
Gas Costs	2.72	2.29	-15.9	2.72	2.29	-15.9
Reservation Charge (1994 \$/MMBtu-Mo.)		23.77	N/A		23.68	N/A
Usage Charge	0.91	0.01	-98.4	0.91	0.01	-98.4
Fuel Retention	1.5%	1.0%		1.5%	1.0%	
Total - Transportation Cost	<u>\$1.53</u>	<u>\$1.36</u>	-11.1	<u>\$1.53</u>	<u>\$2.52</u>	64.7

See footnotes at end of table.

**Table E1. Corridor Maximum Unit Transportation Rates 1991, 1994**  
**Southwest Region: Arkoma Basin to Little Rock Transportation Corridor**  
**(1994 dollars per million Btu) - Continued**

	100%			40%		
	Load Factor Rate			Load Factor Rate		
	1991	1994	Change (percent)	1991	1994	Change (percent)
NORAM (formerly Arkla)						
Gas Costs	\$1.67	\$1.73	3.4	\$1.67	\$1.73	3.4
Reservation Charge (1994 \$/MMBtu-Mo.)	4.75	6.32	33.1	4.75	6.24	31.3
Usage Charge	0.27	0.05	-81.3	0.27	0.05	-81.3
Fuel Retention	2.3%	1.7%		2.3%	1.7%	
Total - Transportation Cost	<u>\$0.46</u>	<u>\$0.29</u>	-37.0	<u>\$0.70</u>	<u>\$0.59</u>	-15.7

MMBtu = Million Btu. Mo. = Month.

Note: For 1994 rates, first reservation charge in each route includes a Gas Research Institute (GRI) surcharge of \$0.2180 per MMBtu for 100 percent load factor rates and a \$0.1340 per MMBtu GRI surcharge for 40 percent load factor rates.

Sources: Energy Information Administration, Office of Oil and Gas, derived from: **1991**: Florida Gas Transmission Company base rates—H. Zinder & Associates, *Summary of Rate Schedules of Natural Gas Pipeline Companies* (March 1991); Other rates—Foster Associates, *Competitive Profile of U.S. Interstate Pipeline Companies* (October 1991); **1994**: Kern River Gas Transmission Company base rates—Federal Energy Regulatory Commission Automated System for Tariff Retrieval (FASTR); Other rates—Foster Associates, *Competitive Profile of Natural Gas Services* (December 1994).